
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2490 Session of
2022

INTRODUCED BY ISAACSON, DEASY, CEPHAS, HARKINS, HOHENSTEIN,
PARKER AND ROZZI, APRIL 6, 2022

REFERRED TO COMMITTEE ON LIQUOR CONTROL, APRIL 6, 2022

AN ACT

1 Amending the act of April 12, 1951 (P.L.90, No.21), entitled "An
2 act relating to alcoholic liquors, alcohol and malt and
3 brewed beverages; amending, revising, consolidating and
4 changing the laws relating thereto; regulating and
5 restricting the manufacture, purchase, sale, possession,
6 consumption, importation, transportation, furnishing, holding
7 in bond, holding in storage, traffic in and use of alcoholic
8 liquors, alcohol and malt and brewed beverages and the
9 persons engaged or employed therein; defining the powers and
10 duties of the Pennsylvania Liquor Control Board; providing
11 for the establishment and operation of State liquor stores,
12 for the payment of certain license fees to the respective
13 municipalities and townships, for the abatement of certain
14 nuisances and, in certain cases, for search and seizure
15 without warrant; prescribing penalties and forfeitures;
16 providing for local option, and repealing existing laws," in
17 preliminary provisions, further providing for definitions;
18 and, in licenses and regulations and liquor, alcohol and malt
19 and brewed beverages, further providing for license
20 districts, license period and hearings, for issuance,
21 transfer or extension of hotel, restaurant and club liquor
22 licenses, for malt and brewed beverages manufacturers',
23 distributors' and importing distributors' licenses and for
24 malt and brewed beverages retail licenses.

25 The General Assembly of the Commonwealth of Pennsylvania
26 hereby enacts as follows:

27 Section 1. Section 102 of the act of April 12, 1951 (P.L.90,
28 No.21), known as the Liquor Code, is amended by adding a
29 definition to read:

1 Section 102. Definitions.--The following words or phrases,
2 unless the context clearly indicates otherwise, shall have the
3 meanings ascribed to them in this section:

4 * * *

5 "Previously unlicensed location" shall mean a location that:

6 (1) has never held a retail liquor license, importing
7 distributor license or distributor license; or

8 (2) previously held a retail liquor license, importing
9 distributor license or distributor license which was not used
10 for a subsequent non-license-related purpose for a period of at
11 least three years.

12 * * *

13 Section 2. Section 402(a) and (b) of the act are amended to
14 read:

15 Section 402. License Districts; License Period; Hearings.--

16 (a) The board shall hold hearings on applications for licenses
17 and renewals thereof, as it deems necessary, at such times as it
18 shall fix for the purpose of hearing testimony for and against
19 applications for new licenses and renewals thereof. The board
20 shall hold a hearing on any application for a new hotel, club or
21 restaurant liquor license or the transfer of any such license to
22 a [new] previously unlicensed location, upon the request of any
23 person with standing to testify under subsection (b) if the
24 request is filed with the board within the first fifteen days of
25 posting of the notice of application pursuant to section 403(g).
26 The board may provide for the holding of such hearings by
27 hearing examiners learned in the law, to be appointed by the
28 Governor, who shall not be subject to the act of August 5, 1941
29 (P.L.752, No.286), known as the "Civil Service Act." Such
30 hearing examiners shall make a report to the board in each case

1 with their recommendations. The board may fix the license period
2 for each separate license so that the expiration dates shall be
3 staggered as to the State.

4 (b) Where a hearing is held in the case of an application
5 for a new hotel, club or restaurant liquor license or an
6 application for the transfer of a hotel, club or restaurant
7 liquor license to a [new] previously unlicensed location, the
8 board shall permit residents residing within a radius of five
9 hundred feet of the premises to testify at the hearing. The
10 board and any hearing examiner thereof shall give appropriate
11 evidentiary weight to any testimony of such residents given at
12 the hearing.

13 * * *

14 Section 3. Sections 404(a), 431(b) and 432(d) of the act,
15 amended June 5, 2020 (P.L.213, No.29), are amended to read:

16 Section 404. Issuance, Transfer or Extension of Hotel,
17 Restaurant and Club Liquor Licenses.--(a) Upon receipt of the
18 application and the proper fees, and upon being satisfied of the
19 truth of the statements in the application that the applicant
20 and management company or companies, if any, are the only
21 persons in any manner pecuniarily interested in the business so
22 asked to be licensed and that no other person will be in any
23 manner pecuniarily interested therein during the continuance of
24 the license, except as hereinafter permitted, and that the
25 applicant is a person of good repute, that the premises applied
26 for meet all the requirements of this act and the regulations of
27 the board, that the applicant seeks a license for a hotel,
28 restaurant or club, as defined in this act, and that the
29 issuance of such license is not prohibited by any of the
30 provisions of this act, the board shall, in the case of a hotel

1 or restaurant, grant and issue to the applicant a liquor
2 license, and in the case of a club may, in its discretion, issue
3 or refuse a license: Provided, however, That in the case of any
4 new license or the transfer of any license to a [new] previously
5 unlicensed location or the extension of an existing license to
6 cover an additional area the board may, in its discretion, grant
7 or refuse such new license, transfer or extension if such place
8 proposed to be licensed is within three hundred feet of any
9 church, hospital, charitable institution, school, or public
10 playground, or if such new license, transfer or extension is
11 applied for a place which is within two hundred feet of any
12 other premises which is licensed by the board: And provided
13 further, That the board's authority to refuse to grant a license
14 because of its proximity to a church, hospital, charitable
15 institution, public playground or other licensed premises shall
16 not be applicable to license applications submitted for public
17 venues or performing arts facilities: And provided further, That
18 the board shall refuse any application for a new license, the
19 transfer of any license to a [new] previously unlicensed
20 location or the extension of an existing license to cover an
21 additional area if, in the board's opinion, such new license,
22 transfer or extension would be detrimental to the welfare,
23 health, peace and morals of the inhabitants of the neighborhood
24 within a radius of five hundred feet of the place proposed to be
25 licensed: And provided further, That the board shall have the
26 discretion to refuse a license to any person or to any
27 corporation, partnership or association if such person, or any
28 officer or director of such corporation, or any member or
29 partner of such partnership or association shall have been
30 convicted or found guilty of a felony within a period of five

1 years immediately preceding the date of application for the said
2 license. The board may enter into an agreement with the
3 applicant concerning additional restrictions on the license in
4 question. If the board and the applicant enter into such an
5 agreement, such agreement shall be binding on the applicant.
6 Failure by the applicant to adhere to the agreement will be
7 sufficient cause to form the basis for a citation under section
8 471 and for the nonrenewal of the license under section 470. If
9 the board enters into an agreement with an applicant concerning
10 additional restrictions, those restrictions shall be binding on
11 subsequent holders of the license until the license is
12 transferred to a new location or until the board enters into a
13 subsequent agreement removing those restrictions. If the
14 application in question involves a location previously licensed
15 by the board, then any restrictions imposed by the board on the
16 previous license at that location shall be binding on the
17 applicant unless the board enters into a new agreement
18 rescinding those restrictions. The board may, in its discretion,
19 refuse an application for an economic development license under
20 section 461(b.1) or an application for an intermunicipal
21 transfer of a license if the board receives a protest from the
22 governing body of the receiving municipality. The receiving
23 municipality of an intermunicipal transfer or an economic
24 development license under section 461(b.1) may file a protest
25 against the transfer of a license into its municipality, and the
26 receiving municipality shall have standing in a hearing to
27 present testimony in support of or against the issuance or
28 transfer of a license. Upon any opening in any quota, an
29 application for a new license shall only be filed with the board
30 for a period of six months following said opening.

1 * * *

2 Section 431. Malt and Brewed Beverages Manufacturers',
3 Distributors' and Importing Distributors' Licenses.--* * *

4 (b) The board shall issue to any reputable person who
5 applies therefor, and pays the license fee hereinafter
6 prescribed, a distributor's or importing distributor's license
7 for the place which such person desires to maintain for the sale
8 of malt or brewed beverages, not for consumption on the premises
9 where sold, and in quantities of not less than a case or
10 original containers containing one hundred twenty-eight ounces
11 or more which may be sold separately as prepared for the market
12 by the manufacturer at the place of manufacture. In addition, a
13 distributor license holder may sell malt or brewed beverages in
14 any amount to a person not licensed by the board for off-
15 premises consumption. The sales shall not be required to be in
16 the package configuration designated by the manufacturer and may
17 be sold in refillable growlers. The board shall have the
18 discretion to refuse a license to any person or to any
19 corporation, partnership or association if such person, or any
20 officer or director of such corporation, or any member or
21 partner of such partnership or association shall have been
22 convicted or found guilty of a felony within a period of five
23 years immediately preceding the date of application for the said
24 license: And provided further, That, in the case of any new
25 license or the transfer of any license to a [new] previously
26 unlicensed location, the board may, in its discretion, grant or
27 refuse such new license or transfer if such place proposed to be
28 licensed is within three hundred feet of any church, hospital,
29 charitable institution, school or public playground, or if such
30 new license or transfer is applied for a place which is within

1 two hundred feet of any other premises which is licensed by the
2 board: And provided further, That the board shall refuse any
3 application for a new license or the transfer of any license to
4 a [new] previously unlicensed location if, in the board's
5 opinion, such new license or transfer would be detrimental to
6 the welfare, health, peace and morals of the inhabitants of the
7 neighborhood within a radius of five hundred feet of the place
8 proposed to be licensed. The board may enter into an agreement
9 with the applicant concerning additional restrictions on the
10 license in question. If the board and the applicant enter into
11 such an agreement, such agreement shall be binding on the
12 applicant. Failure by the applicant to adhere to the agreement
13 will be sufficient cause to form the basis for a citation under
14 section 471 and for the nonrenewal of the license under section
15 470. If the board enters into an agreement with an applicant
16 concerning additional restrictions, those restrictions shall be
17 binding on subsequent holders of the license until the license
18 is transferred to a new location or until the board enters into
19 a subsequent agreement removing those restrictions. If the
20 application in question involves a location previously licensed
21 by the board, then any restrictions imposed by the board on the
22 previous license at that location shall be binding on the
23 applicant unless the board enters into a new agreement
24 rescinding those restrictions. The board shall require notice to
25 be posted on the property or premises upon which the licensee or
26 proposed licensee will engage in sales of malt or brewed
27 beverages. This notice shall be similar to the notice required
28 of hotel, restaurant and club liquor licensees.

29 Except as hereinafter provided, such license shall authorize
30 the holder thereof to sell or deliver malt or brewed beverages

1 in quantities above specified anywhere within the Commonwealth
2 of Pennsylvania, which, in the case of distributors, have been
3 purchased only from persons licensed under this act as
4 manufacturers or importing distributors, and in the case of
5 importing distributors, have been purchased from manufacturers
6 or persons outside this Commonwealth engaged in the legal sale
7 of malt or brewed beverages or from manufacturers or importing
8 distributors licensed under this article. In the case of an
9 importing distributor, the holder of such a license shall be
10 authorized to store and repackage malt or brewed beverages owned
11 by a manufacturer at a segregated portion of a warehouse or
12 other storage facility authorized by section 441(d) and operated
13 by the importing distributor within its appointed territory and
14 deliver such beverages to another importing distributor who has
15 been granted distribution rights by the manufacturer as provided
16 herein. The importing distributor shall be permitted to receive
17 a fee from the manufacturer for any related storage, repackaging
18 or delivery services. In the case of a bailee for hire hired by
19 a manufacturer, the holder of such a permit shall be authorized:
20 to receive, store and repackage malt or brewed beverages
21 produced by that manufacturer for sale by that manufacturer to
22 importing distributors to whom that manufacturer has given
23 distribution rights pursuant to this subsection or to purchasers
24 outside this Commonwealth for delivery outside this
25 Commonwealth; or to ship to that manufacturer's storage
26 facilities outside this Commonwealth. The bailee for hire shall
27 be permitted to receive a fee from the manufacturer for any
28 related storage, repackaging or delivery services. The bailee
29 for hire shall, as required in Article V of this act, keep
30 complete and accurate records of all transactions, inventory,

1 receipts and shipments and make all records and the licensed
2 areas available for inspection by the board and for the
3 Pennsylvania State Police, Bureau of Liquor Control Enforcement,
4 during normal business hours.

5 Each out of State manufacturer of malt or brewed beverages
6 whose products are sold and delivered in this Commonwealth shall
7 give distributing rights for such products in designated
8 geographical areas to specific importing distributors, and such
9 importing distributor shall not sell or deliver malt or brewed
10 beverages manufactured by the out of State manufacturer to any
11 person issued a license under the provisions of this act whose
12 licensed premises are not located within the geographical area
13 for which he has been given distributing rights by such
14 manufacturer. In addition, the holder of a distributor license
15 may not sell or deliver malt or brewed beverages to any licensee
16 whose licensed premises is located within the designated
17 geographical area granted to an importing distributor other than
18 the importing distributor that sold the malt or brewed beverages
19 to the distributor. If the licensee purchasing the malt or
20 brewed beverages from the distributor license holder holds
21 multiple licenses or operates at more than one location, then
22 the malt or brewed beverages may not be consumed or sold at
23 licensed premises located within the designated geographical
24 area granted to an importing distributor other than the
25 importing distributor that sold the malt or brewed beverages to
26 the distributor. Should a licensee accept the delivery of malt
27 or brewed beverages or transfer malt or brewed beverages in
28 violation of this section, said licensee shall be subject to a
29 suspension of his license for at least thirty days: Provided,
30 That the importing distributor holding such distributing rights

1 for such product shall not sell or deliver the same to another
2 importing distributor without first having entered into a
3 written agreement with the said secondary importing distributor
4 setting forth the terms and conditions under which such products
5 are to be resold within the territory granted to the primary
6 importing distributor by the manufacturer.

7 When a Pennsylvania manufacturer of malt or brewed beverages
8 licensed under this article names or constitutes a distributor
9 or importing distributor as the primary or original supplier of
10 his product, he shall also designate the specific geographical
11 area for which the said distributor or importing distributor is
12 given distributing rights, and such distributor or importing
13 distributor shall not sell or deliver the products of such
14 manufacturer to any person issued a license under the provisions
15 of this act whose licensed premises are not located within the
16 geographical area for which distributing rights have been given
17 to the distributor and importing distributor by the said
18 manufacturer. In addition, the holder of a distributor license
19 may not sell or deliver malt or brewed beverages to a licensee
20 whose licensed premises is located within the designated
21 geographical area granted to an importing distributor other than
22 the importing distributor that sold the malt or brewed beverages
23 to the distributor. If the licensee purchasing the malt or
24 brewed beverages from the distributor license holder holds
25 multiple licenses or operates at more than one location, the
26 malt or brewed beverages may not be consumed or sold at licensed
27 premises located within the designated geographical area granted
28 to an importing distributor other than the importing distributor
29 that sold the malt or brewed beverages to the distributor. If a
30 licensee accepts the delivery of malt or brewed beverages or

1 transfers malt or brewed beverages in violation of this section,
2 the licensee shall be subject to suspension of his license for
3 at least thirty days: Provided, That the importing distributor
4 holding such distributing rights for such product shall not sell
5 or deliver the same to another importing distributor without
6 first having entered into a written agreement with the said
7 secondary importing distributor setting forth the terms and
8 conditions under which such products are to be resold within the
9 territory granted to the primary importing distributor by the
10 manufacturer. Nothing herein contained shall be construed to
11 prevent any manufacturer from authorizing the importing
12 distributor holding the distributing rights for a designated
13 geographical area from selling the products of such manufacturer
14 to another importing distributor also holding distributing
15 rights from the same manufacturer for another geographical area,
16 providing such authority be contained in writing and a copy
17 thereof be given to each of the importing distributors so
18 affected.

19 * * *

20 Section 432. Malt and Brewed Beverages Retail Licenses.--* *
21 *

22 (d) The board shall, in its discretion, grant or refuse any
23 new license, the transfer of any license to a [new] previously
24 unlicensed location or the extension of an existing license to
25 cover an additional area if such place proposed to be licensed
26 is within three hundred feet of any church, hospital, charitable
27 institution, school, or public playground, or if such new
28 license, transfer or extension is applied for a place which is
29 within two hundred feet of any other premises which is licensed
30 by the board. The board shall refuse any application for a new

1 license, the transfer of any license to a [new] previously
2 unlicensed location or the extension of an existing license to
3 cover an additional area if, in the board's opinion, such new
4 license, transfer or extension would be detrimental to the
5 welfare, health, peace and morals of the inhabitants of the
6 neighborhood within a radius of five hundred feet of the place
7 to be licensed. The board may enter into an agreement with the
8 applicant concerning additional restrictions on the license in
9 question. If the board and the applicant enter into such an
10 agreement, such agreement shall be binding on the applicant.
11 Failure by the applicant to adhere to the agreement will be
12 sufficient cause to form the basis for a citation under section
13 471 and for the nonrenewal of the license under section 470. If
14 the board enters into an agreement with an applicant concerning
15 additional restrictions, those restrictions shall be binding on
16 subsequent holders of the license until the license is
17 transferred to a new location or until the board enters into a
18 subsequent agreement removing those restrictions. If the
19 application in question involves a location previously licensed
20 by the board, then any restrictions imposed by the board on the
21 previous license at that location shall be binding on the
22 applicant unless the board enters into a new agreement
23 rescinding those restrictions. The board shall have the
24 discretion to refuse a license to any person or to any
25 corporation, partnership or association if such person, or any
26 officer or director of such corporation, or any member or
27 partner of such partnership or association shall have been
28 convicted or found guilty of a felony within a period of five
29 years immediately preceding the date of application for the said
30 license. The board may, in its discretion, refuse an application

1 for an economic development license under section 461(b.1) or an
2 application for an intermunicipal transfer or a license if the
3 board receives a protest from the governing body of the
4 receiving municipality. The receiving municipality of an
5 intermunicipal transfer or an economic development license under
6 section 461(b.1) may file a protest against the approval for
7 issuance of a license for economic development or an
8 intermunicipal transfer of a license into its municipality, and
9 such municipality shall have standing in a hearing to present
10 testimony in support of or against the issuance or transfer of a
11 license. Upon any opening in any quota, an application for a new
12 license shall only be filed with the board for a period of six
13 months following said opening.

14 * * *

15 Section 4. This act shall take effect in 60 days.